

GRANADA SANITARY DISTRICT

OF SAN MATEO COUNTY

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MINUTES **BOARD OF DIRECTORS MEETING** **March 7, 2002**

CALL TO ORDER: The special meeting was called to order at 7:00 p.m. by Board President Bill Katke at the District Office in El Granada.

ROLL CALL: Attending Directors were: President Bill Katke, Vice President Leonard Woren, Treasurer Laura Stein, and Board Member Shawn McGraw. Secretary Fran Pollard was absent due to illness.

Attending staff were: Legal Counsel Jonathan Wittwer and Administrator Gina Holmes.

ADJOURN TO CLOSED SESSION:

Conference with Legal Counsel: Significant exposure to litigation pursuant to Government Code Section 54956.9 Subdivision (b) (One potential case)

RECONVENE TO OPEN SESSION: The meeting reconvened to Open Session at 7:31 p.m. District Counsel Jonathan Wittwer announced that no reportable action was taken during the Closed Session.

CALL TO ORDER: The regular meeting was called to order at 7:39 p.m. by Board President Bill Katke.

ROLL CALL: Attending Directors were: President Bill Katke, Vice President Leonard Woren, Treasurer Laura Stein, and Board Member Shawn McGraw. Secretary Fran Pollard was absent due to illness.

Attending staff were: Legal Counsel Jonathan Wittwer, Engineer Howard Hoffman, Administrator Gina Holmes, and Assistant Administrator Delia Comito.

PLEDGE OF ALLEGIANCE: All present recited the Pledge of Allegiance.

GENERAL PUBLIC PARTICIPATION: There were no speakers from the public.

CONSENT AGENDA:

Director Stein held the following Consent Agenda items for discussion:

- 2. Approval of special meeting minutes for February 15, 2002,**
- 3. Approval of meeting minutes for February 21, 2002,**
- 4. Approval of warrants totaling \$ 79,389.52,**

Director Woren moved to approve the following Consent Agenda items:

1. Approval of meeting minutes for December 13, 2001.
 5. Approval of payments from Bond Administration fund totaling \$2,857.71 (Wittwer: \$2,332.03; Kennedy/Jenks: \$527.68).
 6. Authorization of District Engineer to advertise for Televising Inspection bids for portion of mainlines as part of Capital Improvement Project 2001/2002.
- (Woren/Stein, 4-0)**

The Board agreed to address Action Agenda item #7 before addressing the Consent Agenda items held for discussion.

ACTION AGENDA

7. Consider vote to authorize contract with Real Estate Agent Lee Engdahl to represent District for office rental and/or acquisition: Real Estate agent Lee Engdahl presented a contract agreement between himself and the District for his services. In addition to reviewing the specifics of the contract, Engdahl needed the Board to provide information to complete three blank areas in the contract. District Counsel Jonathan Wittwer recommended that the arbitration clause in the contract be deleted and that the Attorney's Fees clause be modified. There was further Board discussion regarding the District's facility needs, and the appropriateness of the information in the District's Needs Assessment Study if provided to Engdahl. Wittwer suggested that there was no need to discuss the specifics as the objective was to provide a "General Description" in the blanks within the contract explaining the type of property that the District was interested in.

After further discussion, Director McGraw moved to approve the contract between Lee Engdahl and the Granada Sanitary District with an amendment to delete the arbitration clause, and modify the Attorneys Fees clause, to have Lee Engdahl, on behalf of the Granada Sanitary District, investigate property available to buy, build, or rent within the District, for an office and meeting room sufficient for District Operations and give consent for Mr. Engdahl's agency, but not Mr. Engdahl, to represent more than one buyer or seller. (McGraw/Woren, 4-0)

Engdahl requested that one Board Member be his contact with the District. The Board agreed that President Katke would be that contact.

The board agreed to address Action Item #8 for the benefit of a public member who was in attendance for that item.

8. Request for six-month extension for Class 2B permit: Steve & Jennie Loft; APN: 047-034-270/280/290: Administrator Gina Holmes reviewed the extension request information provided in the agenda packet. She recommended that the District obtain a set of original plans and final plans as a requirement of the extension. Counsel Wittwer cited Sec. 612 from the District Code, which states "Good cause" based on specified findings is needed to grant the extension request.

After additional discussion, **Director Stein moved to approve the request for a six-month extension for Class 2B permit for Steve & Jennie Loft upon staff determination that the new structure is 50% smaller than the structure on the original plans. Director Woren requested an amendment to the motion to include that the project uses no more wastewater than the original project. Director Stein accepted the amendment. (Stein/Woren, 4-0)**

The Board agreed to return to the Consent Agenda items held for discussion.

CONSENT AGENDA

2. Approval of special meeting minutes for February 15, 2002: Director Stein requested an addition to the first sentence in the first paragraph on page two changing the wording to "... ask him to search ...". Director Woren requested a change in the first sentence of the second paragraph on page two changing it to read "Director McGraw moved to contact Lee Engdahl on behalf of the GSD..."

Director Woren moved to approve the special meeting minutes for February 15, 2002 as amended. (Woren/McGraw, 4-0)

3. Approval of meeting minutes for February 21, 2002: Director Stein stated that the revisions she had requested were not edited properly and asked that they be implemented word-for-word. There was further discussion regarding how minute revisions should be done. Holmes suggested tabling this item.

Director Woren moved to table the February 21, 2002 meeting minutes to the April 4, 2002 meeting. (Woren/McGraw, 4-0)

4. Approval of warrants totaling \$ 79,389.52: Director Stein requested staff to make sure that Director's are compensated for all prior meetings on the current warrant report. Director Woren requested staff to look into electronic deposits for Board Members, and to verify whether a manhole, which had been repaired, was Sewer Authority Mid-Coastside's or the District's. Holmes confirmed it was the District's.

Director McGraw moved to approve the warrants totaling \$ 79,389.52. (McGraw/Stein, 4-0)

ACTION AGENDA

9. Schedule Special Meeting to prepare 2002 Calendar with dates/timelines for regular District Business items, priorities, action steps, and goals: Director Stein clarified the purpose of the meeting to be scheduled. There was further Board discussion. Director Katke suggested that he should get the availability of Mr. Duffy, a contract General Manager he met at the Special District Institute Conference, who would help the Board with this issue.

It was determined that Director Katke would contact staff as soon as he knew what dates Mr. Duffy would be available to attend the meeting. Staff would then notify the other Directors.

10. Discuss/consider approving Staff recommendation to temporarily increase District Clerks' work hours from 20-25 to 30-35 per week or greater as needed: Administrator Holmes reviewed the

Staff Report provided in the Agenda. Director Stein had asked for a list of duties of the District Clerk to be provided with this item to make a decision. Holmes had prepared the list but it was inadvertently not provided in the packet. Administrative Assistant Delia Comito suggested approval of the temporary increase due to her own absence in the Office due to work on the Assessment District reconciliation. There was further Board discussion.

Director Woren moved to accept staff's recommendation to temporarily increase the hours of the District Clerk from 20-25 to 30-35 per week or greater as needed, to take effect as soon as the list of duties for the Clerk were provided. (Woren/McGraw, 4-0)

11. Consider vote to hire a District General Manager: Director Stein recapped the retreat decision to prioritize goals and the General Manager issue was rated as the highest priority. Director Stein sees no need for the organizational audit. Director Woren has reservations regarding the hiring of a General Manager. District Counsel Wittwer suggested that the motion include the creation of the General Manager position. Director Katke has an example of a General Manager job description forthcoming.

Director Stein moved to create the General Manager position. (Stein/McGraw, 3-0-1). Woren abstained because he is unsure of the necessity of the position.

12. Ratify Committee to search for professional recruiting firms and review and ratify Search Committee recommendations: The Board discussed Director Stein's motion to ratify the committee of Director Katke and Director Woren appointed by President Katke at the last meeting. Job description for the General Manager should be on the April 4, 2002 Agenda.

Director Stein moved to ratify the committee to search for professional recruiting firms and to ratify the Search Committee appointed by the Board President at last meeting and to authorize Directors Katke and Woren to provide referrals for professional recruiting firms. (McGraw/Woren, 4-0).

URGENCY ITEM: Director Woren moved that the Board find that the need for consideration of a sewer permit approval for Joe Gibson, APN 048-062-090 came to the attention of the Board after the posting of the agenda, and requires Board action before the next regular Board meeting and therefore needs to be added to tonight's agenda.

Holmes reviewed the information indicating that the Gibson application was previously exempted from Ordinance 139 and that the County building permit will expire before next Board meeting unless the District sewer permit is issued. Staff recommended issuance of the permit. Director Stein asked Counsel if there are any reasons to deny the permit based on the information in Staff Report. Director Woren wanted to make sure there was no problem with any non-recorded easements and make sure there was no problem with it being built over. District Counsel Wittwer stated that conveyance or acknowledgement of a sewer easement could be a condition of the sewer permit.

Director Woren moved to approve the sewer permit for Gibson with the condition that a legal easement is recorded and the permit with the conditions added be recorded. The motion was Amended to add a requirement that Gibson grant an easement to the District if one had not already been granted. (Woren/Stein, 4-0)

At 10:10 p.m. Director Woren moved to extend meeting to 10:35pm. (Woren/Stein, 4-0)

13. DIRECTORS' COMMENTS AND COMMITTEE REPORTS: Sewer Authority Mid-Coastside

(SAM): Directors Woren and McGraw Meeting Report, February 25, 2002: Director Woren announced the resignation of SAM accountant (Kim Salera). The search firm for a SAM General Manager will extend to the filling of the vacant accountant position. A temporary employee will be hired in the interim. Director Stein brought up Walker Tank expansion funding from reserves. Director Stein re:_____ fiscal decisions made by SAM's representative without whole GSD Board's input. **To be a future item.** (Woren – SAM Policy) Hoffman asked if we should reserve this issue and the Wet Weather Flow correction funding for a future Agenda.

Assessment District: Directors Katke and Stein Meeting Report March 4, 2002: Director Stein reported on the District meeting with Comito, Parsons and Chang. Chang is to meet on the Audit Report by April 15th. Director Stein will be ready to go. Director Katke is confident in John Parsons ability to complete the audit by the deadline. Parsons needs 4-6 weeks to prepare for the audit.

INFORMATION CALENDAR

14. Administrator's Reports: Report of Administrative Activities for January 2002: Director Woren would like sound system added back on the Action Agenda Summary.

15. Engineer's Report: Report of Recent Engineering Activities for January 2002: District Engineer reported that the Capital Improvement Project bidding was complete. Director Stein questioned him regarding the budgeting for the 5 year CIP. Hoffman had already determined and computed it over the last 5 years. Director Woren suggested that Board look at MSD capital reserve budget as an example for CIP budgeting. The reserve amounts should equal expenditures. Director Stein wants a new budget format. **Director Katke directed the Engineer to send a letter to RWQCB describing how we are dealing with the problems mentioned in the complaints of John Plock. Wittwer suggested that Hoffman call and find out RWQCB concerns and Hoffman could address those specifically.**

Director Stein, at 10:38pm moved to extend the meeting to 11:00pm. (Stein/Katke, 4-0).

16. Attorney's Report: District Counsel Jonathan Wittwer reported on the conference call with Holmes and Hoffman regarding developing a standard agreement with San Mateo County regarding manholes being raised with street paving projects. They would like to develop a standard agreement and will be working on and meeting with the Department of Public Works and Planning Department. It is not clear if it is legally required to submit a 5 year CIP to county. It may be beneficial to coordinate with the Planning Department anyway.

17. SET FUTURE AGENDA: Discuss Agenda items for the April 4, 2002 Board Meeting: District Administrator Holmes asked that changes made to future Agendas be an attachment as opposed to described in the minutes. Director Woren requested that the items that are deleted be cut and pasted to the bottom of the proposed Agenda. Director Woren also requested adding a records

retention policy stricter than state law. Director Woren will make a draft and provide it to counsel for review. Director McGraw suggested to delete Agenda Item #8: Hayhurst & Associates. (SEE NOTES ON FUTURE AGENDA). Woren suggested management commission vs. paying manager. The Board decided that further discussion is needed.

At 11:05pm Director Stein moved to extend the meeting to 12:00am (Stein/McGraw, 4-0).

Add a column for how much staff time is needed for a person to bring Items to the Agenda.
(Woren)

Add General Manager Job Description. (McGraw).

Add all easement policy issues to Pending Action Summary (Woren).

Add and write Assessment District Manual (Katke).

Add Assessment District firm search.

Add to previous address item. (Woren).

Expand duties and increase pay of District Clerk.

Increase pay to Directors. (Stein used four hours to do Assessment District Meeting Minutes.) State law allows for payment on committee meetings and extra duties. (Stein)

Require Wittwer to research? Director Woren to send reference to Wittwer (District Code)

ADJOURN: The meeting adjourned at 11:29 p.m. **(Stein/McGraw, 4-0).**

Submitted on March 7, 2002

Approved on: May 2, 2002

SUBMITTED BY:
Delia Comito & Leisa Bretz

APPROVED BY:
Fran Pollard, Board Secretary